HUMAN SERVICES DEPARTMENT [441]

DRAFT ONLY: Dates herein may not comply with Schedule for Rule Making.

Notice of Intended Action

Proposed rulemaking related to mental health and disability services (MHDS) regions method for allocating cash flow if a county leaves their region and providing an opportunity for public comment.

The Human Services Department hereby proposes to amend Chapter 25, "Disability Services Management," lowa Administrative Code.

Legal Authority for Rule Making

This rule making is proposed under the authority provided in Iowa Code section 331.392.

State or Federal Law Implemented

This rule making implements, in whole or in part, lowa Code section 331.392.

Purpose and Summary

2020 lowa Acts HF 2643 amended lowa Code section 331.292 to require mental health and disability service (MHDS) regions to include in their regional governing agreements the method for allocating their cash flow amount if a county leaves the region. The rulemaking requires a region's cash flow amount to be divided by the region's population and allocated to the counties.

Fiscal Impact

This rulemaking has no fiscal impact to the State of Iowa.

Jobs Impact

After analysis and review of this rule making, no impact on jobs has been found.

Waivers

Any person who believes that the application of the discretionary provisions of this rule making would result in hardship or injustice to that person may petition the Department for a waiver of the discretionary provisions, if any, pursuant to 441 IAC 1.8 (17A, 217).

Public Comment

Any interested person may submit written comments concerning this proposed rulemaking. Written comments in response to this rule making must be received by the Department no later than 4:30 p.m. on XXXX. Comments should be directed to:

Nancy Freudenberg lowa Department of Human Services Hoover State Office Building, Fifth Floor 1305 East Walnut Street Des Moines, Iowa 50319-0114 Email: appeals@dhs.state.ia.us

Public Hearing

No public hearing is scheduled at this time. As provided in Iowa Code section 17A.4(1)"b," an oral presentation regarding this rule making may be demanded by 25 interested persons, a governmental subdivision, the Administrative Rules Review Committee, an agency, or an association having 25 or more members.

Review by Administrative Rules Review Committee

The Administrative Rules Review Committee, a bipartisan legislative committee which oversees rule making by executive branch agencies, may, on its own motion or on written request by any individual or group, review this rule making at its <u>regular monthly meeting</u> or at a special meeting. The Committee's meetings are open to the public, and interested persons may be heard as provided in lowa Code section 17A.8(6).

The following rule-making action is proposed:

ITEM 1. Amend rule **441—25.14(3)** as follows:

- **441—25.14(3)** *Financial provisions*. The financial provisions of the regional governance agreement shall include all of the following:
 - a. Methods for pooling, managing and expending funds under control of the regional administrative entity. If the agreement does not provide for pooling of the participating county moneys in a single fund, the agreement shall specify how the participating county moneys will be subject to the control of the regional administrative entity.
 - b. Methods for allocating administrative funding and resources.
- c. Methods for allocating a region's cash flow amount in the event a county leaves the region. A region's cash flow amount shall be divided by the percentage of each county's population according to the region's population indicated in the region's annual service and budget plan and shall be allocated to the counties.
- e. <u>d.</u> Methods for contributing initial funds to the region.
- d. e. Methods for acquiring or disposing of real property.
- *e* <u>f.</u> The process for how to use savings achieved for reinvestment.
- f. g. A process for performance of an annual independent audit of the regional administrator.